



Diane Turner asked how long this situation has been going on. Tim Tingey said that the process of obtaining thorough documentation has been going on for over a year. He said that staff has been working to identify the amount of revenue this project has generated with phase one because that will be a factor in reimbursement. Increment for phases two and three has been forfeited, which has already been communicated to the developer. Dave Nicponski asked why increment has been forfeited on these phases. Tim Tingey stated that there were obligations in the development agreement related to having property acquired and the phases complete by a specific date which did not occur. He said that phase three was important because it contained parking structures, and now without the additional parking there are impacts to the rest of the project area. Dave Nicponski asked if this will have any implication on the reimbursement for phase one. Tim Tingey responded that staff is still working to determine if it will.

#### PROPOSED BUDGET MODIFICATION DISCUSSION FOR 2016 – 2017 FISCAL YEAR

Mr. Tingey stated that staff works with the Finance Director each year on the Redevelopment Agency budget which is eventually presented to the City Council for approval. There are going to be some significant changes in the proposed budget this year that he wants to explain prior to moving forward in the process. In the Central Business District there are going to be a number of changes to the budget related to property acquisition and property clean-up expenses in order to facilitate redevelopment in the area. He said that having funding in the budget to address these issues is important as projects begin moving forward. There are not significant changes to the Cherry Street or Vine Street area budgets. In the Fireclay area, there will be some changes proposed that will utilize some of the funding that is not reimbursed to developers to be put towards property acquisition instead. There may be an opportunity to obtain some open space and to acquire property from Salt Lake County in this area. In the Smelter Site area, there may be an increase of approximately \$106,000 proposed to provide funding to mitigate some of the school district expenses. There is not an education mitigation amount in the Smelter Site area and this change would require approval of the Taxing Entity Committee. Blair Camp asked if the amount is to be paid each year. Tim Tingey confirmed that it is per year, so over seven years the amount would total approximately \$750,000. The Smelter Site area expires in seven years so at that time the reimbursement would cease.

#### DEVELOPMENT UPDATES

Tim Tingey stated that he anticipates some proposed modifications in the future from Hooper Knowlton for his project in the Fireclay area. Security National is close to obtaining a building permit and have already held a ribbon cutting for their project. The first phase of the project includes a six-story office building and he anticipates construction will be underway very soon. He said that projects at Fashion Place Mall are also moving forward as expected.

Blair Camp asked if there is anything happening with the Ore Sampling Mill site. Tim Tingey replied that he met with a development group last week that has a relationship with the property owner. They are interested in a project at this site and had questions about Redevelopment Agency funding through creation of a redevelopment area in the future. He said the developer is interested in retrofitting the existing structure and adding to it in order to create office space at this location.

Meeting adjourned.

---

B. Tim Tingey, Executive Director